

Data Sheet

USAID Mission:	Moldova
Program Title:	Democratic Transition
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	117-0230
Status:	Continuing
Proposed FY 2003 Obligation:	\$4,000,000 FSA
Prior Year Unobligated:	\$4,391,000 FSA
Proposed FY 2004 Obligation:	\$4,465,000 FSA
Year of Initial Obligation:	FY 2001
Estimated Completion Date:	FY 2006

Summary: The USAID Democratic Transition program in Moldova is currently made up of the following components: technical assistance to local government units; small grants to local NGOs through the Eurasia Foundation; and a legal reform program with the local bar association. These activities will be augmented by new citizen participation and political party development programs. USAID will use FY 2003 funds to promote local government reform, rule of law, small grants to NGOs, citizen participation, and political party development programs.

Inputs, Outputs, Activities:

FY 2003 Program:

Civil Society (\$3,620,000 FSA). Local Government Reform Project activities include: 1) increasing the autonomy and sustainability of effective local government through implementation of GOM initiatives for greater fiscal decentralization; 2) improving strategic planning for municipal services and assets; and 3) greater transparency and citizen participation in decision-making at the community level. Currently, there are more than 40 communities participating with the local government program including 29 that have received intensive training and technical assistance in office automation/financial management. Thirty-one communities have completed strategic plans. In FY 2003, this process will continue through participatory forms of citizen involvement, improving transparency and accountability of local governments to citizens. Additional local government partners will be added and models of service improvement will be made available by "rolling-out" lessons learned from several municipal pilot demonstration projects. By the end of FY 2003, fiscal autonomy training and technical assistance will have been provided to all cities and towns in Moldova with population in excess of 10,000 persons. Training and technical assistance provided to local NGOs and municipal officials will increase accountability of local governments.

The Eurasia Foundation provides small grants to Moldovan NGOs to promote the development of democracy and a market economy. The Eurasia Foundation's programmatic focus includes: 1) private enterprise development to provide management training, business education, small business and agribusiness support; 2) public administration and policy reform to promote transparency and development of local governments, public administration training and public policy advice; and 3) civil society activities to develop and support independent media and systems for alternative dispute resolution and the empowerment of non-governmental organizations.

In FY 2003, USAID plans to start a three-year citizen participation program to strengthen local communities and enhance USAID support for the development of new jobs and economic opportunities in rural Moldova. The project will engage local governments, citizens groups, and NGOs in effective community and economic activities and enhance local democracy and grass-roots citizen participation. It will complement USAID's local government reform program revitalizing local communities through strong citizen participation and community empowerment. The program will provide: 1) small grants to community groups, NGOs, and local governments for civic participation projects, joint community income generation, environmental and infrastructure improvements; 2) training and technical assistance for local governments in the techniques and practices of civic participation; 3) training and technical assistance to

NGOs and community groups in civic leadership skills, strategic planning, consensus building, civic action, project development and project management, and building effective partnerships with local governments; and 4) training and grants for local and regional journalists and media outlets.

The program will support the development of democratic practices and community leadership skills. Over time, local governments will learn to be participatory, transparent, and accountable in their operations. Informed, more engaged communities, capable of demanding transparency and accountability from its local leaders, will be actively involved in local development projects.

In FY 2003, USAID intends to launch a new three-year Political Party Development program. The current Moldovan political party system is largely fragmented with about 30 political parties. Only half of these parties ran in the last parliamentary elections and only three are represented in the Parliament. Moldovan political parties are not organized strictly in line with democratic orthodoxy and their internal structure is essentially authoritarian and oligarchic. The objective of the program is to create conditions for political leadership to evolve in communities, involve local political structures, empower political activists, and build democratic practices from the bottom up. The principal civil society contractor/grantees are the Urban Institute and the Eurasia Foundation.

Rule of Law (\$380,000 FSA). The Rule of Law program will continue to focus training and technical assistance on three main areas: advocacy on behalf of human rights; legal association building; and institutional capacity building. The advocacy program will involve direct use of the legal system to defend citizen rights, increase citizen confidence, and help citizens develop a better understanding of the legal system through consultations provided on human rights, freedom of speech and association, minority rights, property rights, labor law, family law and privatization. Most of these tasks will be concentrated at the local level, in conjunction with the Local Government Reform Project. The prime contractor/grantee is the American Bar Association/Central European and Eurasian Law Institute (ABA/CEELI).

FY 2004 Program:

Local Governance (\$639,200 FSA).

Civil Society (\$2,773,000 FSA).

Political Process (\$1,052,800 FSA).

USAID will use the FY 2004 funds to continue technical assistance to local government units, NGO development, and legal reform, citizen participation, and political party development programs. The Rule of Law and grant programs will continue in FY 2004 at approximately the same levels as FY 2003. The prime contractor/grantees are the Urban Institute, the Eurasia Foundation and ABA/CEELI.

Performance and Results: The Urban Institute Local Government Reform Project (LGRP) has conducted activities in 39 cities since its inception. Currently, 30 cities have some degree of on-going participation with LGRP activities which include: municipal strategic planning (31 cities); fiscal autonomy technical assistance (budgeting and financial management (28 cities); office automation (32 cities); citizen participation (19 cities); and municipal transparency (25 cities). The project seeks to improve municipal services by providing grant funding for infrastructure improvements. To date, the LGRP has assisted eight cities in making improvements to water systems; four have decentralized heating projects and two have undertaken solid waste management initiatives.

By program completion, it is expected that local governments throughout Moldova will have the capacity to establish and implement strategic plans that address local problems and concerns, and will find ready and willing partners among a more knowledgeable and informed citizenry, with a sizable body of examples of the success of participatory and democratic action.

US Financing in Thousands of Dollars

Moldova

117-0230 Democratic Transition	FSA
Through September 30, 2001	
Obligations	1,343
Expenditures	285
Unliquidated	1,058
Fiscal Year 2002	
Obligations	4,084
Expenditures	2,663
Through September 30, 2002	
Obligations	5,427
Expenditures	2,948
Unliquidated	2,479
Prior Year Unobligated Funds	
Obligations	4,391
Planned Fiscal Year 2003 NOA	
Obligations	4,000
Total Planned Fiscal Year 2003	
Obligations	8,391
Proposed Fiscal Year 2004 NOA	
Obligations	4,465
Future Obligations	0
Est. Total Cost	18,283